

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 588

SPONSOR: Transportation Committee and Senators Bullard and Lawson and Others

SUBJECT: Specialty License Plates

DATE: March 18, 2004

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Davis	Meyer	TR	Fav/CS
2.	Parham	Wilson	HC	Favorable
3.			CP	
4.			JU	
5.			FT	
6.			ATD	
.			AP	

I. Summary:

This bill directs the Florida Department of Highway Safety and Motor Vehicles (DHSMV) to issue a Live the Dream specialty license plate. In addition to applicable motor vehicle registration taxes and fees, a \$25 annual use fee will be charged for this new license plate. The annual use fees for the Live the Dream license plate will be distributed to the Dream Foundation, Inc., which will distribute the funds in specified proportions among various community organizations that: provide research, care, and treatment for sickle cell disease; provide programs to help alleviate hunger, homelessness, and poverty; and work to reduce infant diseases, birth defects, infant mortality, and improve maternal and child health services.

This bill amends ss. 320.08056 and 320.08058, Florida Statutes.

II. Present Situation:

Specialty License Plates

The Florida Legislature created the first specialty license plates in 1986; one commemorating the seven astronauts who died when the space shuttle Challenger exploded after lift-off, and one for each of the nine universities then in the state university system. Since 1986, the Legislature has authorized 78 more specialty license plates.

Specialty license plates are available to any owner or lessee of a motor vehicle who is willing to pay an annual use fee for the privilege. Annual use fees ranging from \$15 to \$25, paid in addition to required license taxes and service fees, are distributed to an organization in support of a particular cause or charity signified in the plate's design and designated in statute. The

Legislature may create a specialty license plate under its own initiative or it can do so at the request of an organization.

Section 320.08053, F.S., provides that an organization seeking authorization to establish a specialty license plate must submit the following:

- A request for the particular license plate with a description of the proposed plate in general terms;
- The results of a scientific sample survey of Florida motor vehicle owners which indicates that at least 15,000 motor vehicle owners intend to purchase the proposed specialty license plate at the increased costs;
- An application fee, not to exceed \$60,000, to defray DHSMV's cost for reviewing the application and developing the specialty license plate, if authorized; and
- A marketing strategy outlining both the short and long-term marketing plans and a financial analysis outlining the anticipated revenue and the planned expenditures of the requested specialty license plate.

The required documentation and fees must be submitted at least 90 days before the convening of the next regular session of the Florida Legislature. If a specialty license plate is approved by law, the organization must submit a proposed design for the specialty plate to DHSMV no later than 60 days after the act becomes a law. If the specialty license plate is not approved by the Legislature, the application fee is refunded to the requesting organization.

Section 320.08056, F.S., provides that DHSMV is responsible for developing the specialty license plates and that the department must begin production and distribution within one year after approval of the specialty license plate by the Legislature. Specialty license plates must bear the design required by law for the appropriate specialty plate, and the designs and colors must be approved by DHSMV. In addition, the specialty license plate must bear the imprint of numerals from 1 to 999, inclusive, capital letters "A" through "Z", or a combination thereof. The word "Florida" must appear at either the top or the bottom of the license plate, depending upon the design, and the license plate may bear an appropriate slogan.

DHSMV is authorized to annually retain the first proceeds derived from the annual use fees collected in an amount sufficient to defray each specialty plates pro rata share of DHSMV's costs directly related to issuing the specialty license plate.

DHSMV must discontinue the issuance of an approved specialty plate if less than eight thousands plates (including annual renewals) are issued by the end of the fifth year or during any subsequent 5-year period. DHSMV is authorized to discontinue the issuance and distribution of specialty plates if the organization no longer exists or if the organization has stopped providing services authorized to be funded.

Section 320.08062, F.S., requires all organizations receiving annual use fee proceeds from DHSMV to be responsible for ensuring proceeds are used in accordance with ss. 320.08056 and 320.08058, F.S. Each organization is either subject to an audit or is required to annually attest, under penalties of perjury, that such proceeds were used appropriately. Annual use fees or any interest earned from those fees may not be used for commercial or for-profit activities, or for

general administrative expenses (except as specifically authorized or to pay the cost of the audit or report required to ensure the proceeds are used as authorized).

Section 320.08058, F.S., lists the approved specialty license plates and specifies funding requirements. The Legislature has authorized 80 specialty license plates to date. Sales of specialty license plates generated more than \$24 million in annual use fee revenues in 2002, and more than \$24.5 million in 2003. Since the program's inception in 1986, DHSMV has collected annual use fees totaling more than \$225 million.

The Dream Foundation Inc.

The Dream Foundation, Inc., is a not-for-profit organization dedicated to assisting the indigent and less fortunate through direct and indirect programs and grants. The Foundation seeks to address the increasing problem with respect to access to affordable medical treatment for the underprivileged. The Foundation has offices in Ft. Myers and Tallahassee.

According to DHSMV, the Dream Foundation, Inc., has completed all statutory requirements for eligibility to seek Legislative approval of their specialty license plate.

Sickle Cell Anemia

Sickle cell anemia is a blood disease that causes red blood cells to function abnormally. The red blood cells are rigid and curved in the shape of a farm tool called a sickle. The sickled shape of the cells makes it difficult for passage through tiny blood vessels and results in painful blockages that prevent vital oxygen and nutrients in the blood from reaching organs and tissues.

Sickle cell disease is inherited from an individual's parents. In order to inherit the disease, each parent must be a carrier for the sickle cell trait. A person can also inherit sickle cell anemia if one parent is a carrier for the trait and the other parent has sickle cell. If a person inherits only one sickle gene, the person has the sickle cell trait. Sickle cell is more common among people who have an African ancestry; however, it does occur among other ethnic groups.

Although there is no cure for sickle cell anemia, the primary treatment of sickle cell anemia is geared towards preventing infection, organ damage, pain and discomfort. This can be achieved through regular health maintenance such as proper nutrition, bed rest, and regular visits to the physician. However, in some cases additional treatments may be necessary that may include oral penicillin, blood transfusions, and various medications.

Forty-one states and the District of Columbia provide universal screening for sickle cell disease. Three states target screening to infants of high-risk ethnic groups. The primary purpose of screening is to identify infants with sickle cell disease, the most prevalent disorder included in neonatal screening panels. Screening also identifies infants with other hemoglobinopathies, hemoglobinopathy carriers, and in some states, infants with alpha-thalassemia syndromes.

March of Dimes

Each year, more than 460,000 babies are born too soon; some so small they can fit in the palm of a hand. Babies born too soon and too small, struggle to survive those first few weeks and sometimes months of life. Many of these babies must fight just to survive while others will struggle with lifelong health problems. They are more likely to have developmental delays, chronic respiratory problems and vision or hearing impairment. March of Dimes researchers, volunteers, educators, outreach workers and advocates work together to give babies a fighting chance against the threats to their health including prematurity, birth defects, and low birthweight.

The March of Dimes educates pregnant women about what to worry about and what not to worry about when it comes to delivering a healthy baby. Through their Pregnancy & Newborn Health Education Center, women can get free one-on-one, confidential answers to their questions about pregnancy, preconception, newborn screening, and other related topics.

Florida Healthy Start

Healthy Start was enacted by the Legislature with the goal of reducing infant mortality, the number of low-birth-weight babies, and improving health and developmental outcomes. The Healthy Start Program is a concept that involves a holistic approach to maternal and child health-service planning, community involvement, funding, and provision of services. Healthy Start provides mothers and newborns with the resources, support, and the help they need to have a healthy pregnancy and a healthy birth. Healthy Start is a program available, free of charge, to all pregnant women and families with babies who are less than three years old. Healthy Start Coalitions across the state are charged with developing and implementing quality systems of care by allocating maternal and child health dollars to the community.

Infant mortality, the sentinel indicator of child health and well-being, is at its lowest level in Florida's history. Infant death rates have dropped 22 percent since Healthy Start began in 1991. Healthy Start is the foundation for early intervention, child protection, and school readiness programs. Healthy Start screens pregnant women and newborns, identifies mothers and babies at-risk, provides mothers and babies with coordinated services, and involves public-private partnerships.

Community Partnership for the Homeless, Inc.

Community Partnership for Homeless, Inc., is a not-for-profit 501(c)(3) corporation that is the private sector partner of the Miami-Dade County Homeless Trust, whose mission is to operate Homeless Assistance Centers and to raise the private funding necessary to assist in the implementation of the Miami-Dade County Community Homeless Plan. Community Partnership is further committed to assisting the Miami-Dade County Homeless Trust in this implementation through encouraging private sector involvement.

Currently, Community Partnership has built and operates two Homeless Assistance Centers, one in Miami and one in Homestead, to serve the needs of the homeless. The Community Partnership provides help and support to individuals and families to keep them off of the streets.

III. Effect of Proposed Changes:

Section 1. Amends s. 320.08056, F.S., relating to specialty license plates, to provide for the Live the Dream license plate. In addition to applicable motor vehicle registration taxes and fees, a \$25 annual use fee will be charged for this new specialty license plate.

Section 2. Amends s. 320.08058, F.S., relating to specialty license plates, to add subsection (45), Live the Dream License Plates. This section directs DHSMV to issue a “Live the Dream” specialty license plate. The license plate must bear the colors and design approved by the department. This section specifies that the word “Florida” must appear at the top of the license plate and the words “Live the Dream” must appear at the bottom of the license plate.

The proceeds collected from the annual use fees for the Live the Dream license plate will be distributed to the Dream Foundation, Inc. The Foundation will retain the first \$60,000 in proceeds as reimbursement for administrative costs, startup costs, and costs incurred in the approval process. Thereafter, up to 25 percent of the proceeds will be used to market the organization’s concept and the license plate. The remaining funds shall be distributed as follows:

- Twenty-five percent as grants for programs providing research, care, and treatment for sickle-cell disease;
- Twenty-five percent to the Florida March of Dimes to improve the health of babies through the prevention of birth defects and infant mortality;
- Ten percent to the Florida Association of Healthy Start Coalitions to decrease racial disparity in infant mortality and to increase healthy birth outcomes;
- Ten percent to the Community Partnership for Homeless, Inc., for programs providing relief for poverty, hunger, and homelessness; and
- Five percent for administrative costs directly associated with the Foundation’s operations.

Section 3. Provides that this act shall take effect July 1, 2004.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

The provisions of this bill have no impact on municipalities and the counties under the requirements of Article VII, s. 18 of the Florida Constitution.

B. Public Records/Open Meetings Issues:

The provisions of this bill have no impact on public records or open meetings issues under the requirements of Article I, s. 24(a) and (b) of the Florida Constitution.

C. Trust Funds Restrictions:

The provisions of this bill have no impact on the trust fund restrictions under the requirements of Article III, Subsection 19(f) of the Florida Constitution.

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

Persons who apply for the Live the Dream license plate would pay \$25 in addition to the applicable motor vehicle registration taxes and fees.

C. Government Sector Impact:

Current law provides that an application fee, not to exceed \$60,000, be paid to DHSMV to defray the administrative costs of reviewing and developing a specialty license plate. DHSMV estimates administrative and design costs to be approximately \$60,000 for the newly authorized Live the Dream license plate. DHSMV has indicated that the \$60,000 has been collected from the applicant to defray these costs. This fee will be refunded if the license plate is not approved by the Legislature. Any additional cost of issuing the license plate will be retained from the first proceeds derived from the annual use fees as provided in s. 320.08056(7), F.S.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
